Antional Republican.

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PARCER CIRCULATION THAN ANY OTHER MORNING PAPER IN THE DISTRICT OF CO-

PERSONS leaving town for the summe will do well to consult the watering-place advertisements in another column.

READERS OF THE NATIONAL REPUBLI-CAN leaving the city for the summer can have the paper mailed to their address for sizty-siz cents per month, in advance.

THE DISTRICT COMMISSIONERS.

the District of Columbia were not appointed by the President yesterday, and, very little probability that they will be ap- does not know anything specifically about deep consideration to the President, who we know is anxious to meet the expectations of the country, and at the same time of the revenue by undervaluations deal fairly and justly by the District and double invoices, slipping small pack-by its late administration. The District ages, bribery and other tricks of out in the very beginning of the Governement as the ward of the Republic, the premises, the whole country has an inaerest have also some rights which it is not either make any nominations for the offices in make any nominations for the offices in question until he shall have had an opportunity to consider the whole subject in all their check for \$271,000 rather than trust

ago. The bill for the government of the District was not sent to the Executive until last Friday. It provides for an important Was it a powerful conviction, a sort of give them something else wherewith to premonition, that the alternative would heighten their disgust. Luttrell has made a plan changes the plat of the camp from that ment. The whole subject has occupied the have been a little missionary tour to Sing fight against the Central Pacific Railroad of a square with straight avenues, to that of company, and the Contract and Fmance an octagon, with radiating avenues, eight in that the President should have at least a infamy. It is time that this false freemsfew days in which to deliberate upon the sonry, which arises, from the old saw, subject. The country, however, may rest "honor among thieves," should be abolnot be overlooked, and at the same time our schools, in factories, in workshops, in our citizens may feel assured that they will trade, in churches even, we are taught to believe that it is an act of infamy to inform not be allowed to suffer. President Grant, upon a mate, no matter how flagrant or evinced the liveliest concern in our affairs. of a capital crime. The result is the pro-He has done for the city more than any tection and immunity of criminals. Now President we have had since Washington, when this comes to be applied to smuggling and having seen the work of reconstruction the revenue in any manner, the result is the robbery of the whole peoto on under his own eyes is in a position to honesty does not rost upon his name; he try, because she can only maintain he has come out of the ordeal of an investiga- honor abroad by the exposure and punish tion the most searching in our pelitical his. ment of her dishonest merchants.

now that the President will in all probability select one gentleman who is a citizen of the District and two from other sections of the country. The former may be Governor Shepherd or he may not. Among can convention in Illinois last week. At those from the outside who have been the time that Mr. Logan left Washington thought of are an ex-Cabinet officer and an for the State which he so ably and faith ex-member of Congress. The President's fully represents, that portion of the press intention is to nominate the very best men Republican party, and those politicians who who can be found for the position who will be acceptable to the country and to our cit-told us that he had gone to raise the stand trens. To make such a selection is hardly ard of revolt in Illinois. The President possible now in the closing hours of the had vetoed the currency bill a few days be-

SPIES AND INFORMERS

this broad land, who is not a taxpayer, other side had preordained it, and so what Even the veriest loafer who spends his en- was the use? tire earnings in whisky and tobacco may, The speech herewish printed shows the in point of fact, be a heavier taxpayer than entire fallacy of all this speculation. Gen-many a millionaire. Our method of laying Logan does not abandon his financial views. and collecting taxes holds the importers. On the contrary, he reiterates and emphamanufacturers, tradesmen and real estate sizes them. But at the same time he sees owners responsible for their payment to no reason for the foundation of a new party. the Government, but we all know that, "The Republican party it is that has saved." owners responsible for their payment to
the Government, but we all know that,
the first the same time in a secpactically, these classes not only re-collect
this tax from the consumers, but stack
from the consumers, but stack
from them a liberal commission also for
doing it. What handlord in fixing the
rantal upon any premises does not include
in his estimates the items of taxes, insurance
and repairs. What manufacturer is there
who fails to include all his taxes and the
dultes paid upon foreign material used. In
calculating his list of prices for the markett
So with the importer. He will sell you as
"mode for the markett
so when had to be a basic for
down from the consumers of the consumers of the Cincinnation of the December of the Presidency in 1870, should prefer
to the consumers, but stack
the consumers, but stack
the consumers, but stack
the consumers, but stack
from the consumers, but stack
from them a liberal commission also for
doing it. What landlord in fixing the
rantal upon any premises does not include
in his estimates the items of taxes, insurance
"real. I say to these who would have the
gain the first the convention, on the store, (1) for their fine basing
the failt in regard to such a choice.

The Republican may gaper so Vermont and
Malne are apparently well astissed with the
solid man, "they would be very
likely to find Clinic man, "they would be very
the first which is made in the conversed the mark the conversed the mark they would be very
the first the converse white make it in the predict man they first as a such to the secretary of the first and the converse of the market
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the the peak of the first and the converse of the market
solid proportion material used. In
The Republican party the first and the converse of the market
solid proportion material used. In
the third man well and the converse of the market
solid p

at the last the price covers all the taxes, osts, profits and expenses.

In this view, we are all deeply interested n having the taxes made as light as possi-

ble first, and then, secondly, in having every

cent legally due collected. The prices to The NATIONAL REPUBLICANT AND ASSESSED TO THE SOURCE OF THE CONSUMERS, as we have seen, are prountered the consumers, as we have seen, are prountered upon the supposition that the taxes and is furnished to subscribers (by carriers) at any and duties have been paid. As a matter of Mail subscribers, \$8.00 per year; \$4.00 for str. course, then, when the taxes are evaded by variably in advance. the importer and manufacturer, the amount is a clean and clear addition to his profits a "clean steal" out of the pockets of the consumers. It will not do for the smuggler to acknowledge his guilt by immediately and largely underselling his competito This would at once attract attention to his delinquencies, (this is the fashionable name for stealing now,) and others besides professional "spies" and informers would be talking about it. It just comes to this, then, that every man who evades a legal tax steals from you and me and every other consumer. If we tell of it and under the law claim a molety of the sum recovered as our legal right, we become infamous. order to recover our rightful property.

are "spies" and "informers," because we tell of a theft and cry "Stop thief!" in That is it. That is what the New York members of Congress and the New York press say about the mojeties and the collection of the duties on imports.

This is all humbug and clap-trap, and such editorials are dictated in the counting rooms of importers. Cheating the revenu is, and long has been, a regular trade, both in New York and Boston. Custom-hous brokers and importers' entry clerks are bred to the trade as a general thing and are not considered sharp unless they can slip The commissioners provided for in the something in without paying duties. They new law for the ad interim government of grow to think it no harm to cheat the revenue. They do not reflect that it is them-

selves, and others of their class in life, who are the real sufferers. The rich importer, according to present indications, there is who is benefited by this fraud, probably pointed within the next eight or ten days. it. He knows that generally his clerks and The whole matter has been the subject of brokers are experts at their trades, and if they were not he would not have them. He knows that his yearly gains are immensely increased through this system of evasion

occupies a peculiar position toward the na- the trade. But he asks no questions. Here tion. The capital of the country, singled it is "that ignorance is bliss." It was this beatific state in which Mr. Dodge found himself when he went before the courts and the committees and the Secre President, as the executive head of the nation, is anxious, so far as in him lies, to dis- all intention to defraud the revenue. And charge the delicate duties thus imposed he might have gotten through before a jury upon him by Congress, and through Con. on account of the very high respectability grass by the Constitution itself. In the of his firm, if reflection upon what tales (tell-tales those books are) his books might unfold in regard to the past. They would in the management and control of the Dis- no doubt have been the worst spies and intrict; but, at the same time, the people of formers that could have been brought tive our article must have been. Just consider Washington, who pay a larger revenue to against this firm, because they would have. the Government than many of the States, and disclosed the simple truth. That is the than one half of the Territories combined. whole of it. And Mr. Dodge, poor, simple. Christian man, was timid; he was afraid of the truth in court; he did not know but it fair or just to ignore. The President will might injure his old firm and his old partendeavor, as far as possible, to reconcile the ners, dear old souls, and so, what did he two interests-national and musicipal-and do? And after consulting counsel, too, that there may be the amplest time for the (but probably telling him the same story duty thus devolved upon him, will not that he told the Secretary and the commit tee,) what did these poor, simple, terrified

to a New York jury to believe their stories. The report of the Joint Investigating backed by their books, as against the evi-Committee was not presented until a week dence of some of these dreadful spies" and "informers." Awful, was it not? Why did they think a court and jury would believe these vile wretches in preference to them?

be committed in the future it is necessary tem and the branding of the informer with assured that its interests in the matter will ished except in the society of thieves. In since his first inauguration, has always even criminal the act, so long as it is short go on under his own eyes is in a position to ple, ourselves included. Refusing to in-appreciate the magnificent improvements form, we become accessories. We hold it that have been made in the city during the to be the duty, the high-toned, honorable -last two or three years. The Joint Investi- and patriotic duty, which we owe alike to

gating Committee in their report have sub. our fellow-citizens and our country, to instantially said that it was mainly the work of form the proper officers whenever we see one man. Errors may have been committed the revenue defrauded. We owe it to ourselves, because we are sufferers : we owe it and mistakes may have been made, but to-to our fellow-citizens, because they are our day a shadow of suspicion of personal dis-fellow-sufferers; and we owe it to our coun-General Butler has done his country tory almost without spot or blemish. We mean, of course, Mr. Shepherd. General Butler has done his country a service by the timely exposure of these frauds. The press that is now howling at

Grant has the fullest confidence in him, and him without attempting to controvert his will show that confidence in any way that argument simply acklowledges its own venality and dependence upon a vitiated Yesterday and the day before the city was commercial honor to the extent of subornafilled with rumors as to the gentlemen who would be selected for the newly-created of make four. They will not much longer fices. Nearly all the speculations upon the submit quietly to these robberies because subject are at fault, and it can only be said they are galvanized with Christian lacquer.

> GEN LOGAN'S SPEECH In the supplement to THE NATIONAL REPUBLICAN this morning will be found are desirous to see the same result achieved

session, when so much business is pressing fore, and Morton and Logan were upon the 'war-path." These gentleman intended to found a new party upon the financial question and sundry other issues. Pleasant assurances of this character were heralded The speech of General Butler upon the throughout the length and breadth of the moieties, the full report of which can be land, and the opposition was thrown into found in our columns this morning, is of a condition of general jubilation. At the wast importance to every American citizen. time we denied that there was any founda-There is no citizen, however humble, in all tion whatever for those statements, but the

would be a fatal blow to the best interests of the country, and a crime in those who should strike it. It has its faults and shortcomings; it is far from satisfying everybody; it has in many things done wrong, but there s no better party in existence, and there is no prospect of a better or a more patriotic ne in the immediate future.

THE New Orleans Picayune of Wednes ay last states that Judge Durell had received a letter from Col. J. M. Boatner, of Catahoula parish, Louisiana, in which the atter informs the judge that the parties implicated in the Grant parish massacre of April, 1873, who had avoided arrest since that time, were now willing to surrender, provided they could be tried by him. They say that they will never give themselves up to be tried by Judge Woods, as they do not believe he would give them a fair trial. It would appear from this remarkable communication that there is yet some reliance among the people of Louisiana in the judicial impartiality of Judge Durell, whatever may be thought of the distrust thus expressed of the fairness of Judge Woods. Those who are best acquainted with these judges believe that parties tried before either of them for violations of the aws of the United States need not fear but that the scales of justice will be held with a firm and equal hand. But is it not somewhat singular that while Judge Durell is complained of and pursued by the Democratic members of Congress, the Democrats of Louisiana should voluntarily testify to his fairness, even to the extent of putting

THE very interesting address by Reor. White upon Pope Plus IX., delivered on Sunday evening last, will be found in our supplement this morning in full and will amply repay perusal both for its religious and historical information.

THE report of the committee in the in estigation of the safe robbery will made at noon to-day.

THE Senate and House last night agree o extend the session to 4 o'clock this after

orrespondence of the New York Sun: "Yesterday morning each member of the House received a copy of a California weekly paper called the California Spirit of the Times, which contains a long editorial against Luttrell, stating, among other things, that he is a standing shame and positive disgrace to the State. This was regarded with diagust by members, and more especially so when it became known that Mr. Luttrell had just received a letter from Governor Booth, of his State tendershy surpostly and agreet thanks

State, tendering sympathy and earnest thanks by the brave course be had taken as against monopolies and rings and in the interest of the coople. sys: "How melancholy! And yet how effect for a moment that Luttrell received two imthe Spirit of the Times, and the other in a letter from the great, good and pure (1) Newton Booth. Our article disgusted the members of the House of Representatives, says this veracious Sun correspondent, not because there was anything disgusting in it, but because the great, ood and pure (1) Newton Booth had writte Luttrell a letter approving his course against ow provoking to think that a letter from the opy of the Spirit of the Times should the plains across' in the same mail bag; and both camp. ddressed to the same person, but on different

ions, falls from the spire of a steeple he ought o pray to God on the way down that he might dent, falls from the spire of a steeple he ought to pray to God on the way down that he might iand on his check, for there he would receive the least injury. He compliments Luttrell for attacking the Contract and Finance Company, Samuel Shannon, E. D. Owen, and H. York, when to Newton Booth, more than any other man, is the organization of that institution due. Booth was amember of the State Senate and so was Dr. Clark, of this city. The latter introduced a bill letting out all work to be done on the Central Pacific railroad to the lowest bidder. Booth opposed and woted against the measure in question and secured its defeat, and for pay; as the grocery and which house, with which he was then and is now connected, was furnishing the supplies needed by the Central Pacific Railroad Company for the man in their employ, and which amounted to about \$50,000 per month. This is as true as holy writ. The records of the due. Booth was a member of the State Senate

behalf of the franking privilege, that they have missed no opportunity to nurse every casual charge against it; and it may be taken for as they have breath enough to stand up. The

from the charge of secepting straw bids is, therefore, entitled to more respect than most exculpatory reports in this Congress receive." Four State conventions will be held this week. To-day the Mains Democrats will go through the ceremony of setting up a candidate for governor at Portland. The New York andidates for secretary of state, State trea LIGHT PRINTED COTTONS. on Thursday to nominate a man to contend with Judge Peck in the race for governor; and on the same day the colored voters of Alabama

will hold a State convention at Montgomery. The Republicans of the Third Congres strict of North Carolina at their reention, passed among others the following ntary way to General Allan Rutherfor

Third Auditor:

"Resolved, Whereas the Republican party of the Third Congressional district of North Carolina has been without a representative in the United States Congress for the past four years, we therefore resolve, that we have found in General Allan Rutherford, Third Auditor of the Treasury, an able, willing and efficient worker in the interests of our people, we impose the fullest confidence in him, and the thanks of Republicans of this district are extended him through the voice of this convention."

The Waterloo (Iowa) Courier says of the position of the Democracy: "During the present Congress the Democrate have been united red race. They split upon the tariff, divided upon the currency and could not agree upon any question until the civil rights bill came up. when the Democrats instantly joined hands in a solid vote against the measure. This is a significant fact. It demonstrates beyond cavil that all that is left of cohesive power in the once great and powerful Democratic party is its insane hatred of the negro. It is no longer a party of principle, but a mere hulk laden with ignorant and besotted prejudice against the black citizens of the republic." Mr. J. B. McCullagh is the author of the

enduct of the late Chief Justice Chase during the Presidential canvass of 1864: "He wrote letters to influential men all over the country, defaming the President, and accusing the weak-ness of the Administration of which he was a part. Members of the Congress who enjoyed his intimacy and confidence did the same with his knowledge and consent; and a man whom he had enriched by his official favors openly bribed all the bribable newspaper correspondents in Washington at the time to defam Lincoln and exalt Chase for a stipulated sum of money, to be paid monthly until the day of ination. A written agreement ffect between Mr. Chase's agent and the correspondents was drawn up and duly signed. I believe Mr. John Bussell Young, of the New York Hereid, has this document in his possession now, with the signatures attached to it."

CAMP-MEETING INTERESTS.

THE BALL STABTED LAST NIGHT AT FOUNDRY CHURCH. Last night the Methodists of the District were called together at Foundry church for he first mass meeting of the season in the interests of the camp-meeting to be held near Guithersburg on the 5th of August, upon the ground recently purchased and dedicated t ceived on the same day that he received our the purpose of camp-meeting, under the message. That was no fault of ours. The auspices of the Washington Grove Camp-post office is the one to blame, not us. But Meeting Association. It is the purpose of the Methodists to hold one of these mass meetings reat, good and pure (†) Newton Booth and a weekly in the several sections of the city during the six weeks intervening until the time for

During the past week the committee grounds spent two days at the camp grounds laying off the site of the camp according to a Company particularly, and has charged them with the commission of every enormity; and in consequence thereof the great, good and pure (i) Newton Booth writes him a letter approving his course. Now for chandeliers and large drum or head-lights, diagnst. When Newton Booth, by any accident, falls from the spire of a steeple he ought.

oming meeting.

E. F. Simpson followed in a neat speech on

report enlirely exculpating the Department

COTTON GOODS.

Total of heavy printed cotton exported in the same year as above from Great Britain, 715, 359,849 yards; to the United States, 27,384,480 yards; other countries, 688,175,212 yards.

Total declared value to the United States, 83, 258,239.92; to other countries, \$72,224,682.30.

Average per yard to the United States, 11% cents; to other countries, 10% cents.

ountries, 10 cents.

Here it will be seen that as soon as we ap-

here it will be seen that as soon as we ap-proach goods paying exclusively a specific duty the average rate of invoicing is higher to the United States than to other countries, proving that a better class of goods generally is sent here than to other countries, and leading to the inevitable conclusion that the same differ-ence of higher rates of invoicing would prevail in worsted, linens, carpets, &c., if they also paid a specific instead of an ad valorem or mixed duty. The same facts are true regard-ing imports from other sountries.

nave not had these statistics before them. Certainly not. If they have, their report does not show it. They have examined only cases of individual merchants to find out if the laws have worked supposed hardships, and do not the case of the people, to see how they are defrauded. The committee put forward most prominently of all, as example of the hardship of the law upon honest men, the case of Pheips, Dodge & Co., making the case of that firm the ground-work for all their recommended legislation; and in their recommended before the committee, there seems to be a studied and careful attempt that that firm shall ap-pear to the country as honest and injured mer-chants, who had, by the devices of the officers of the Government, been robbed of a very large sum of money. All the lawyers and chairmen

paraille of those who desired to take off all effective penalties to prevent frauds in the collection of the revenue.

The facts of this case, as stated by Mr. Dodge, The facts of this case, as stated by Mr. Dodge, the senior partner, whose testimony as a witness occupied longer time than any other witness save one, and to make room for whom the representative of the National Board of Trade gave way, are these: (Let us premise by saying, however, that none of the active junior partners of the house who swore to the invoices, and were charged with committing the frauds were sent for by the committee.) Phelps, Dodge & Co., a firm of many years standing, who had imported between "three standing, who had imported between "three and four hundred million dollars' worth of goods, and had paid the United States Government more than fifty millions of duties," very honest—giving the very language of Mr. Dodge —''I will say it with perfect confidence that our good name and our integrity were never assailed in these many years until it was as-sailed by the Government;" meaning the salled by the Government;" meaning the charge, made by a special agent of the Treas-ury, of false valuation in December, 1873. Mr.

Dodge again reiterates that statement: "The first knowledge or hint in forty odd years of business that I have had with the Government, first knowledge or hint in forty odd, years of business that I have had with the Government, that I was accused of any dereliction off duty, was when sitting at the board of one of our large institutions, I received a note from my partner, asking me to come to the custom-house," (in December, 1872;) that thereupon he went, and found his firm accused of having in many invoices for five years—which was as far as the Government could go back, on account of the statute of limitations—sworn to at a false valuation, for the purpose of defrauding the revenue; and that the books and papers of the firm touching those importations would be setzed if not voluntarily produced to the officers. Thereupon, yielding to the necessity,

Government had lost duties to the amount of a some sixteen hundred dollars only. But Phelps, Dodge & Co., fearing that these "simple mistakes" would hold them guilty in a court, and being "subject to a system of terrorism" which they could not withstand, in order to save themselves from the oppressions of the Government officials, in entire consciousness of integrity and innocence of all intended or actual wrong, after they had taken coursel of four most eminent lawyers, and after reflecting upon the subject for more than six weeks, made an offer of compromise of penalties for the crime of importation by false invoices, which they confessed in writing they had done, and paid this very great sum of money into the Treasury as penalty.

This is the statement, in brief, as Mr. Dodge puts as forward in connection with the record. He admits that the house of Phelps, Dodge & Co. has had, for many years, a branch house in New York, composed of the same Phelps and the same in interest as the house in New York, composed of the same Phelps and the same James as the house in New York, composed of the same Phelps and the same James as the house in New York, recomposed of the same Phelps and the same James as the house in New York, recomposed of the same in the field. Lit may be a support the armies in the field.

BUTLER'S GREAT SPEECH.

(Continued from First Page.)

demonstrates such undervaluation is done for the sole purpose of defrauding our revenues.

To show the accuracy of the conclusion, it is only necessary to turn to articles which pay purely specific duties. By their undervaluation nothing is to be gained. Take for example—

COTTON GOODS.

since the forty years that Mr. James has been resident partner of the house in New York, during which time Dodge says not a question has been raised as to the vast shipments of this house, and since Pheips, Dodge & Co. have been one of the largest importers in the country of lead, tin, and other metals, the Congress of the United States passed a law to encourage American art, a law which in various phases you will find on your statute books as the tariff was revised from time to time, which was in effect find on your statute books as the tariff was revised from time to time, which was in effect that statuary of American artists should come in free. Whereupon this firm, of which Mr. James, this "honest, honored merchant," was resident partner and consignor, had hundreds and thousands of tons of lead and block-tin and copper cast into statustics of the Goddess of Liberty and Washington and Jefferson, and imported them into this country as works of American art, thereby escaping the duty. But when here they were taken from the hold of the vessel to the warehouse, and from the warehouse went to the melting-pot, being sold to their customers for pig-lead and tin.

Now, right here, I challenge any honest, just-minded man to look me in the face and say that an "honest merchant" or a "Christian gentleman" ever did such a thing to cheat his Government, whether a James of Liverpool or a Dodge of New York. And yet this

tian gentleman" ever did such a thing to cheat his Government, whether a James of Liverpool or a Dodge of New York. And yet this Dodge tells us that the "first knowledge or hint in forty odd years of business that I have had with the Government, that I was accused of any dereliction of duty was in December, 1872." Was that true! So far from its being true, Mr. Speaker, Congress had to change this very law about American statuary on account of these fraudulent importations and cheating of the revenue of which I have spoken by this very firm; and this firm was accused of this fraud upon the revenue on the let day of March, 1865, on this very floor. I send to the Clerk to be read an axiract from the Congressional Globe of that date, part second, second session Thirty-eighth Congress, page 1255. The fifth section of the tariff bill was under discussion, and was as follows:

ary, as used in the laws now in force imposing duties on forsign importations, shall be understood
to include professional productions of a statuary
or of a sculptor only.

Mr. Kernan. I desire some explanation of this
section. I should like to know what this unprefessional statuary is. Has this provision reference to these people who import leaden statues of
liberty, &c.?

Mr. Morrill. I may state, in brief, that it has
been found that parties have in many cases evaded
the payment of duties by importing srticies in
the form of statuary when they could not legitumately rank as such. In some instances lead has
been thus imported to a large extent. We had a
law by which statuary was admitted free; and
statues of the "Father of his Country" and of the
"Author of the Declaration of Independence"
were brought over in that way. I believe that
the gentleman is answered.

Mr. Eldredge, I would like to know from the
gentleman from Vermont whether this does not
refor to one particular firm. I want to know
whether this does not refer to Phelps, Dodge &
Co., and that firm alone.

Mr. Stevena. When statuary was admitted free
we had statues of Webster and Clay and others in
copper and lead, imported, and so soon as they
were landed and taken out of the custom-house
they were melted down. It was a fraud upon the
revenue.

Mr. Eldredge, What firm did thatt

Mr. Eldredge. What firm did that? Mr. Stevens. Phelps, Dodge & Co.

Mr. Stavens. Phelps, Dodge & Co.

Now, as Mr. Dodge himself came into Congress as a member of this House at the very next session, one would have supposed that he would have arisen to explain if this very grave charge upon the president of the Young Men's Christian Association was not true. So far the record. I am told, and I believe, that there was the this House who know the fact that are men in this House who know the fact that Mr. Dodge himself admitted before the Committee of Ways and Means of a former House, when questioned, that these importations were made. The fact never has been denied, and

rue of this country!

I have no doubt that it was quite true, as I have no doubt that it was quite true, as Dodge states, that when James heard that Phelps, Dodge & Co.'s books had been seized in New York in 1873 he nearly fell dead, or that it almost killed him, for he knew how fraudulent their acts were, and always had been, and feared the consequences. There was a merchant of high standing in Boston not many years ago, who, when charged with frauda tong the revenue made confession by

many years ago, who, when charg frauds upon the revenue, made confe frauds upon the revenue, made confession by committing suicide.

Importing of lead, and tin, and copper in the form of statuary, was by no means the most serious attack of this firm upon the revenues of the Government for their own benefit. Cast your mind back, Mr. Speaker, to April, 1864, the very darkest hours of the war, when Grant was recognizing the army of the Potense for of the firm touching those importations would be seized if not voluntarily produced to the officers. Thereupon, yielding to the necessity, his books and papers were produced, and from those books and papers the special agent of the Treasury made up an account, first, of \$250,000, but afterward coining up to the enormous sum of \$271,000, the amount of articles in the invoices in which "simple mistakes" only, as Mr. Dodge now declares, had been made in stating their value, by which the Government had lost duties to the amount of some sixteen hundred dollars only. But Phelps, Dodge & Co., fearing that these "sim-

At this time, if ever, Mr. Speaker, it became to be shad, for many years, a brauch bouse in Liverpool—Phelps, James & Co.—which was substantially the same in interest as the house in New York, composed of the same Phelps and the same James as the house in New York, composed of the same redit and enable the soldiers to receive their pay, and to support the armies in the field. Let us see, then, what the course of this firm of Christian merchants, Phelps, Dodge & Co. was in that crisis of their country's need. They joined the firm and removed to Liverpool, "where, for over forty years, he has been the resident partner, austaining the character of a high-minded, respected and honorable merchant, and for a number of years past the oldest American merchant in England; his name a synonym of honesty and uprightness, and shedding a lustre on his own country and American clizen, for protection to his own country and American clizen, for protection to his own country. In all this time not a question had ever arisen as to the vast shipments made to the house in New York. On entering his office one day in Docember, 1872, he found the following dispatch, in leaded lines, in the newspapers:

"Phelps, James & Co.—New York.—
This great firm have had their books and papers estized by the United States for alloyed the word."

clerk a letter of the Secretary of the Treasury of July 22, 1894, and I beg him to read the portion between the brackets.

portion between the brackets.

[Siz: Your letter of the 12th instant is received, requesting to be instructed in writing in relation to the proper construction of the language of the second paragraph on the ninth page of the printed tariff of June 30, 1884, vis: "On tin plates, and iron galvanized or coaled with any metal by electric batteries, or otherwise, 2½ conts per pound." It would appear that an error of punctuation has been made by some one; most probably by the clerk who engressed that part of the sot. If the comman which is inserted after the word "plates" be omitted, and a comma placed after the word "iron, "the true sense will be had, which unquestionably is that the tin plates, as well as the Iron, must be galvanized or coated with any metal by electric batteries or otherwise, in order to bring them within the provision.

And that construction remains even unto

And that construction remains even unto this day. For we find in the authorized tariff of the Treasury Department, published after the act of June 6, 1873, which took off 10 per ent. from the duties, the following remarks

above, is par cent, ad valored.

And yes, with this wast fraud upon the revenue by this firm staring them in the face, if they had chosen to examine it, the Committee on Ways and Means have recommended the dimituation of duty on tin-plates upon the petition of Phelps, Dodge & Co., to I cent per pound, and passed the bill through under suspension of the rules.

Such tieling the undeniable recorded facts in regard to Phelps, Dodge & Co., what was the special agent of the Treasury to believe when he found them charged with fraud, especially when false and double invoices were produced to him in December, 18731 Why, he could

when false and double invoices were produced to him in December, 1873? Why, he could not but believe that these men were continu-ing to take all manner of unfair, fraudulent and swindling advantages of the Government, and doubtless he examined their books with that belief.

purchaser's invoice—that is, that the goods had been purchased in open market by the house of Phelps, Dodge & Co., and that the prices annexed to the articles therein were the true and genuine prices paid for them. But he

the evidence of that in this: That every one of the evidence of that in this: That every one of the I have no doubt of its entire accuracy.

Amounts of withheld taxes due from rails duplicates in the books of the firm, had a thin

which they had undervalued so as to smuggle them by false invoices into the country.

Under these circumstances the special agent reported to the Secretary of the Treasury the facts. Mr. Wm. E. Dodge employed four lawyers—Mr. Abram Wakeman, a former surveyor of the port of New York, and a learned lawyer in revenue law; Mr. Henry E. Knox, candidate for supreme judge of New York; Judge Fullerton, the foremost criminal lawyer in the city of New York; with a gentleman who had been Attorney General of the United S ates, as consulting counsel; and those fawyers, after examining his case carefully for six S ates, as consulting counsel; and those lawyers, after examining his case carefully for six
weeks, advised him three times to once offer to
pay the value of every falsified invoice articles
which falsified invoice articles amounted to
more than a quarter of a million of dollars—
startless, whether it was well by moietles to colstartless, and are of the same kind of taxes which honest
men have been obliged to pay. Now the question is, whether it was well by moietles to col-\$271,000, to get released from these frauds, and Mr. Wm. E. Dodge and his partners, after full 271,000, to get released from these frauds, and fir. Wm. E. Dodge and his parturers, after full owed to the United States by the dishonest mensultation, agreed to that proposition, nay, releasing the state of the united states by the dishonest men who have received legacles left by rich ment to the Secretary of the Treasury that on account of "certain irregularities" which had been found in their business, they were willing their request, brought against them for a million dollars, or less than two thirds of the whole amount of their tainted or fraudulent invoices. That suit was brought in that form at the request of the counsel of Dodge, after the compromise had been agreed upon, in order that when that compromise should be accepted.

Sanborn was counce on fo good faith, as he

will not be put in the position which that other will put me, of being a blackmaller. Either jou have committed fraud or you have not committed fraud. If you have not committed fraud. If you have not committed fraud. If you have not committed fraud, you should not pay the Government anything. I will consider the question of command they have talled to find any illegal act done by Sanborn in collecting these taxes,

The Author of Market in the second of the Author of the Samuel Control of the Samuel Con that the check had been sent, and gave the gone away and said, "The compromise was inadvertently made, and when I went to withdraw it the Secretary took a snap-judgment
upon me." But the Secretary, with his usual
straightforwardness, wrote in substance: "Very
well; if you think you are not guilty withdraw
your compromise and go to a jury." So the
compromise was withdrawn. Thereupon Dodge
consults again with his four lawyers; and after
nearly two weeks delay he renews the offer
and the money is paid. In order to break his
fall he says to the Secretary: "The Government officers think that I ought not to withdraw the compromise, they having once accept. answer to that of the Secretary of the Freatury? It was: "Mr. Dodge, if your action in renewing the proposition has been influenced by this representation, you will have an opportunity to consider the subject anew and take such course as you may think proper before final action by this Department." Finding no subterfuge would avail, Mr. William E. Dodge, with his four lawyers behind him after weeks of such consultation and such shifts and such attempts at evasion as I have described, deliberately put on file a written statement admitting that his firm were guilty of the charges in suit; that by these false and fraudulent invoices the revenue had been defrauded; and paid \$271,000 in erplation of that guilt. And yet we are told "all nerchants are honest," and Phelpa, Dodge & Co. are the very princes of merchants. Ney, Mr. William E. Dodge claims he comes here before your committee, as I understand, as president of the Chamber of Commerce of the city of New York, as the exemplar of the merchant, as a dealer in hardware ties up his goods and puts a specimen pair of shears on the outside, so that we may know the quality of the cutting instruments inside without opening the package.

To show you that I cannot be mistaken as to the victiousness of the legislation proposed by the committee in this matter. I have caused to

and the comforts and necessities of the peo-ple. Instead of that, if I am here, I shall ask you so to adjust the penalties for defrauding the revenue, and make them so stringent, and so sustain and reward the officers who fear-lessly do their duty, that upon the silks, the worsted stuffs, the laces, the satins, the jewels and the velvets, and the plate-glass, and the buyuries of the rich, such tariff may be houluxuries of the rich, such tariff may be hou-estly collected as will pay the expenses of the nistration of your Governmen

I might well stop here, but there is another branch of the system of collecting Government dues by giving molecties which naturally ranges itself alongside the customs moisty. The practice of the Treasury Department for many years, without the sanction of law, until the 8th of May, 1872, of collecting delinquent taxes and old claims and debts due the United States that had passed out of the usual channels of administration for years was by giving a contract for moieties to the informer or collector. One of the earlier Secretaries who found the necessity of it was Mr. Guthrie, of Kentneky, and it began with his administration of the Department. It has been continued by every Secretary thereof downward until Mr. fourwell came into office, who wholly refused to give out such contracts until they were Boutwell came into office, who wholly refused to give out such contracts until they were sanctioned by law. Congress passed such law in 1873, and under it several contracts were made which proved fruitless. Finally a contract was given to Mr. John D. Sanborn, under which, in nine months, he collected \$437,000 of delinquent and withheld taxes, and received one-half, he paying all the expenses.

These delinquent taxes arose in this way: There was a tax upon estate of decading perfectly and the second perfectly and the

These delinquent taxes arose in this way:
There was a tax upon estates of deceased persons, but the law was repealed in 1870. Another class of these delinquent taxes were taxes upon dividends by railroads and other large corporations. The law for these also was repealed at the same time. There was another tax upon incomes of men who had large revenues and had neglected or refused to return them and pay the tax as was their duty by law to do, and the law for the tax had been also And what did he find! He found that they had a corresponding house in Liverpool, and that that house was engaged in consigning invoices of tin-plates to the house of Phelps, Dodge & Co., in this country, daily, and sometimes three or four invoices per day; that in list of the tax's given him by the assessor, and are these invoices of the list of the tax's given him by the assessor, and are these invoices was swant to as a linked, it was in doubt whether the tax's given him by the assessor, and

frue and genuine prices paid for them. But he found that in the only kind of tin-plates in which they could cheat—because the prices of the ordinary kind of tin-plate were as staple as a gold eagles would have been if imported by that firm—in every instance they had a double invoice from the manufacturer, and that those apecially large sizes of tin were not purchased by Pelps, Dodge & Co. or Phelps, James & Co. in open market at all, but were manufactured for those firms, which are one and the same firm; and that in every instance, when it they swore they had bought these articles in open market, they swore falsely, and knew it, because they knew the article was manufactured to order for their firm, and they should have sworn to the cost price of the manufactured article, which he found each time had been in the possession of the firm before the oath was made, and it was a higher cost than the invoice price to which they made oath. So that they and those whom they employed had been guilty of deliberate and corrupt perjury every day in the year and every year of our Lord for the five during which the law allowed the officer to look back. And he found the evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of the evidence of that in this: That every one of these evidence of that in this: That every one of these evidence of the ev

relatives or by corporations which have not made returns of their dividends or surplus profits, or by men who have received incomes in this country and have refused to make the returns thereof to the tax gatherer; or shall

lions if he had been allowed to pursue his investigations under the contract.

The Committee on Ways and Means have act done by Sanborn in collecting these taxes, or that he ever attempted to collect any tax that was not due, or return any to any one or anything. I will consider the question of compromise, but I cannot compromise under your statement that you are guilty of irregularities only." Thereupon that offer was modified by Phelps, Dodge & Co., after consultation with their four eminent counsel, who advised their culture to plead guilty to a suit charging them with importing goods to a million dollars in value by false invoices and fraudulent appliances; and thereupon Phelps, Dodge & Co. sent an offer of compromise admitting their guilt individually and collectively, and renewing their offer to pay the \$271,000; and while the Secretary of the Treasury was considering it they withdrew the offer.

Meantime, the matter had got into the newapapers; the Christian Association, of which whing light, began to inquire what manner of man is this who makes long sermons by day and prayers by night in the temples while his partners in business are accumulating his profits by daily and hourly perjuries and fraudulent and prayers by night in the temples while his partners in business are accumulating his profits by daily and hourly perjuries and fraudulent and provens by day wrote, as the testimony shows, to George 8. Boutwell, and said to him in substance, "I withdraw my offer of compromise." He expected the Secretary to answer to that, "I cannot prove the check from the railroad company officer was sent Mr. Sanborn wrote to the Treasury cone away and said, "The compromise was in advertently made, and when I went to with

But it is not my purpose at this hour of the evening, nor would it be of advantage to go into examination of this system of collection of delitoquent taxes. It has been long in practice; it has commended itself to administrative officers heretofore. It has its uses; it has for defects and disadvantages; and although some four to six millions, which, in my belief, never will be got without it, might have been got under it, yet as the House has chosen to repeal it, and as it only deals with past dotts and dolliquent taxes, it passes out of the line of my duty as a legislator, especially as the whole internal revenues in the future do not depend in any degree upon it, as do our customs revenues upon the other part of the molety system. It is well enough to try the experiment of repealing this law and finding out whether the Commissioner of Internal Revenue can make the collections.